



413 North Calhoun Street
West Liberty, IA 52776
319-627-2145

REDACTED – FOR PUBLIC INSPECTION

June 27, 2014

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 Twelfth Street S.W.
Room 5-A225
Washington, D.C. 20554

Received & Inspected

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FCC Mailroom

**RE: FCC FORM 481 – CARRIER ANNUAL REPORTING DATA COLLECTION
CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE
ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-
92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL
COMMUNICATIONS COMMISSION (FILED IN DOCKETS 14-58 AND 11-42) AND
CONFIDENTIAL FINANCIAL INFORMATION FILED PURSUANT TO SECTIONS
.457 AND .459 OF THE FEDERAL COMMUNICATIONS COMMISSION RULES**

Dear Ms. Dortch,

West Liberty Telephone Company (the Company) hereby submits the attached redacted and confidential versions of its "FCC Form 481 – Carrier Annual Reporting Data Collection" financial information pursuant to sections §54.313 and §54.422 of the Commission's rules, as filed with the Universal Service Administrative Company.

Section 3005 of Form 481 requires the filing of financial information per 47 C.F.R. §54.313(f)(2). The Company maintains that this information is "Confidential Financial Information" on the grounds that it is competitively sensitive information which could be used to disadvantage or harm the Company and is submitting this information pursuant to Protective Order, DA 12-1857 as described below. In addition, the Company is requesting confidential treatment pursuant to sections 0.457 and 0.459 of the Commission's rules for the Five-Year Service Quality Improvement Plan that is required by section 54.313(a)(1) to be attached to this report. Similar to the financial information submitted under section 54.313(f)(2), the information contained in the Five-Year Service Quality Improvement Plan contains competitively sensitive information, including but not limited to projected build-out plans and capital expenditures, that is secure from public access that could be used by a competitor to disadvantage or harm the Company.

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First, the Company is submitting the 54.313(f)(2) "Confidential Financial Information" as a "Stamped Confidential Document" with each page bearing the legend CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION and also submitting the .457 and .459 "Confidential Financial Information" as a "Stamped Confidential Document" with each page labeled "CONFIDENTIAL - NOT FOR PUBLIC INSPECTION". One copy of the "Stamped Confidential Document(s)" and accompanying cover letter are enclosed.

Second, the Company is submitting the "Stamped Confidential Document(s)" as a "Redacted Confidential Document" where the "Confidential Financial Information" has been redacted. Two copies of the "Redacted Confidential Document(s)" and accompanying cover letter with each page labeled "REDACTED - FOR PUBLIC INSPECTION" are enclosed.

Finally, the Company is submitting two copies of the "Stamped Confidential Document(s)" and accompanying cover letter to Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 Twelfth Street S.W., Room 5-A452, Washington, D.C. 20554.

FCC Form 481 was also filed prior to July 1st with the State Commission.

Please contact me with any questions you have on this filing.

Sincerely,

/s/ Lane Bailey

Lane Bailey
West Liberty Telephone Company
(319) 627-2145
bailey@Corp.Lcom.net

Enclosures

Received & Inspected

JUL 02 2014

FCC Mail Room

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
West Liberty Telephone Company and Subsidiary
West Liberty, Iowa

We have reviewed the accompanying consolidated balance sheets of West Liberty Telephone Company (an Iowa corporation) and subsidiary as of December 31, 2013 and 2012, and the related consolidated statements of operations, stockholders' equity and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation of the consolidated financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards of Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the consolidated financial statements. We believe the results of our procedures provide a reasonable basis for our report.

Based upon our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The consolidating supplementary information found on pages 15 - 17 is presented only for analysis purposes. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic consolidated financial statements, and we are not aware of any material modifications that should be made thereto.

/s/ Kisling Associates LLP

West Des Moines, Iowa
May 1, 2014

WEST LIBERTY TELEPHONE COMPANY
WEST LIBERTY, IOWA

CONSOLIDATED BALANCE SHEETS
December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents		
Accounts receivable:		
Due from customers		
Interexchange carriers		
Other		
Inventory		
Prepayments		
OTHER NONCURRENT ASSETS		
Partnership investments		
Other investments		
Intangibles, net of amortization		
PROPERTY, PLANT AND EQUIPMENT		
Plant in service		
Less accumulated depreciation		
TOTAL ASSETS		

See Accompanying Notes and Independent Accountant's Review Report

WEST LIBERTY TELEPHONE COMPANY
WEST LIBERTY, IOWA

CONSOLIDATED BALANCE SHEETS
December 31, 2013 and 2012

	2013	2012
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES		
Accounts payable		
Advance billing and payments		
Customer deposits		
Accrued taxes		
Other		
LINE OF CREDIT		
STOCKHOLDERS' EQUITY		
Common stock - \$1 par value, 2,000,000 shares authorized, 7,692 shares issued and outstanding		
Retained earnings		
Noncontrolling interest		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		

See Accompanying Notes and Independent Accountant's Review Report

WEST LIBERTY TELEPHONE COMPANY
WEST LIBERTY, IOWA

CONSOLIDATED STATEMENTS OF OPERATIONS
Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Local network services		
Network access services		
Long distance services		
Internet services		
Video services		
Equipment sales		
Miscellaneous revenue		
OPERATING EXPENSES		
Plant specific operations		
Plant nonspecific operations		
Cost of long distance services		
Cost of internet services		
Cost of video services		
Cost of equipment sales		
Depreciation and amortization		
Customer operations		
Corporate operations		
General taxes		
OPERATING INCOME		
OTHER INCOME (EXPENSE)		
Interest and dividend income		
Interest expense		
Other, net		
INCOME BEFORE NONCONTROLLING INTEREST IN NET INCOME		
NONCONTROLLING INTEREST IN NET INCOME		
NET INCOME		

See Accompanying Notes and Independent Accountant's Review Report

WEST LIBERTY TELEPHONE COMPANY
WEST LIBERTY, IOWA

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
Years ended December 31, 2013 and 2012

	Common Stock		Retained	Noncontrolling	Total
	Shares	Amount	Earnings	Interest	Stockholders'
					Equity
Balance at December 31, 2011					
Net income					
Distributions paid					
Common stock redeemed					
Balance at December 31, 2012					
Net income					
Distributions paid					
Balance at December 31, 2013					

See Accompanying Notes and Independent Accountant's Review Report

WEST LIBERTY TELEPHONE COMPANY
WEST LIBERTY, IOWA

CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income		
Adjustments to reconcile net income		
to net cash provided by operating activities:		
Depreciation and amortization		
Equity (income) loss in unconsolidated affiliates		
Noncontrolling interest		
Loss on investments		
Changes in assets and liabilities:		
(Increase) Decrease in:		
Receivables		
Materials and supplies		
Prepayments		
Increase (Decrease) in:		
Accounts payable		
Accrued taxes		
Other		
Net cash provided by operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures		
Purchases of equity investments		
Salvage, net of cost of removing plant		
Net cash used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of line of credit		
Distributions to noncontrolling interest		
Distributions paid		
Common stock redeemed		
Net cash used in financing activities		
Net Increase in Cash and Cash Equivalents		
Cash and Cash Equivalents at Beginning of Year		
Cash and Cash Equivalents at End of Year		

See Accompanying Notes and Independent Accountant's Review Report